

On the excess above twenty-five hundred dollars and up to five thousand dollars, one and one-half per cent. Above \$2,500 and up to \$5,000.

On the excess above five thousand dollars and up to seven thousand, five hundred dollars, two per cent. Above \$5,000 and up to \$7,500.

On the excess above seven thousand, five hundred dollars and up to ten thousand dollars, two and one-half per cent. Above \$7,500 and up to \$10,000.

On the excess over ten thousand dollars, three per cent. Over \$10,000.

SEC. 201. *Corporations.* Every corporation organized under the laws of this State shall pay annually a franchise or excise tax, with respect to carrying on or doing business, equivalent to three per cent of the entire net income of such corporation, as herein defined, received by such corporation during the income year; and every foreign corporation doing business in this State shall pay annually a franchise or excise tax equivalent to three per cent of a proportion of its entire net income, to be determined according to the following rules:

In case of a company other than companies mentioned in the next succeeding section, deriving profits principally from the ownership, sale, or rental of real estate or from the manufacture, sale, or use of tangible personal property, such proportion of its entire net income as the fair cash value of its real estate and tangible personal property in this State on the date of the close of the fiscal year of such company in the income year is to the fair cash value of its entire real estate and tangible personal property then owned by it, with no deduction on account of incumbrances thereon.

In case of a corporation deriving profits principally from the holding or sale of intangible property, such proportion as its gross receipts in this State for the year ended on the date of the close of its fiscal year next preceding is to its gross receipts for such year within and without the State.

SEC. 202. *Railroads and public service corporations.* The basis of ascertaining the net income of every corporation engaged in the business of operating a steam or electric railroad, express service, telephone or telegraph business, or other form of public service, when such company is required to keep records according to the standard classification of accounting of the Interstate Commerce Commission, shall be the "net operating income" of such corporations as shown by their records kept in accordance with that standard classification of accounts, when their business is wholly within this State, and when their business is in part within and in part without the State their net income within this State shall be ascertained by taking their gross "operating revenues" within this State, including in their gross "operating revenues" within this State the equal mileage proportion within this State of their interstate business and deducting from their gross "operating revenues" the proportionate average of "operating expenses," or "operating

Domestic corporations.

Rate.

Foreign corporations.

Rate.

Basis of calculation as to tangible property.

Intangible property.

Railroad and public service corporations.

Basis of calculation.